



FROM FIG. 3

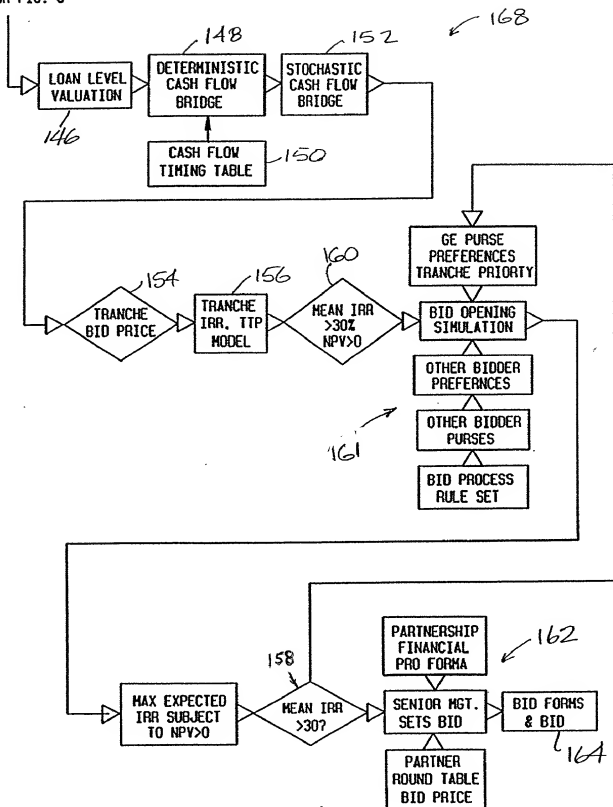


FIG. 4

09736782.121400

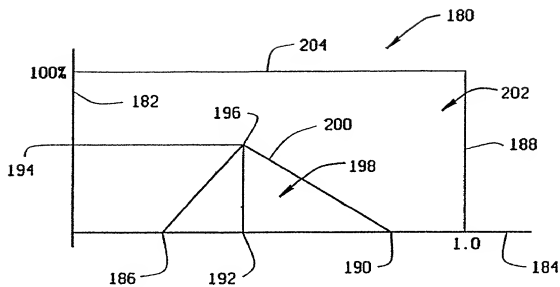


FIG. 5

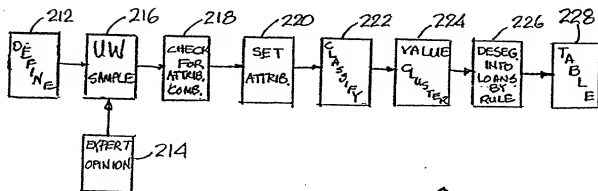


FIG. 6

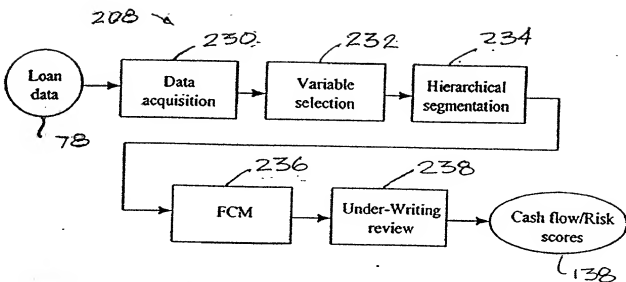


FIG. 7

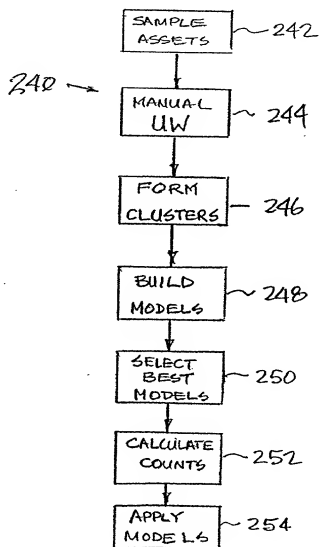


FIG. 8



6 Models Built:

- models differ by which variables used
- UW assets get the minimum error prediction (actual - predicted)

Variables Used

Land Area
Bldg Area
Old Appraisal
GEN1 Predicted Current Appraisal
GEN1 Predicted Realized Price
Property Type
Location
— BY —
Com / Res
Group (cluster)

BUILD MODELS — 248

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Model 1	X		X	X	X	
Model 2	X	X	X	X	X	X
Model 3	X	X	X	X	X	
Model 4	X	X	X	X	X	
Model 5	X	X	X	X	X	
Model 6	X	X	X	X	X	X

Model "Weights":

- each cell is count of times the model produced best prediction for UW assets
- determines weights for averaging predictions for non-UW assets

Model	Asset Class	Group	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Sum
Court Auction	Commercial	1	13	13	13	8	8	32	87
		2	25	25	25	24	22	19	148
		Total	38	38	38	32	30	51	235
Court Auction	Residential	1	5	5	10	15	4	12	51
		2	4	7	9	3	13	23	59
		3	2	15	11	4	12	8	53
		Total	11	27	29	22	29	43	162
Market Value	Commercial	1	10	13	11	10	15	21	80
		2	25	22	25	27	24	19	158
		Total	35	35	36	37	39	40	238
Market Value	Residential	1	5	8	4	9	11	14	51
		2	8	8	10	6	15	18	59
		3	6	16	5	5	20	2	54
		Total	19	32	19	20	46	34	164

FIG. 11

Variable	Category/Value Range	Encoding Scheme
Loan secured	{Yes, No}	Yes = 1 else 0
Loan type	{Revolving, Non-revolving}	Revolving = 1 else 0
Last payment	[0, 250 MM]	0 if Last payment = 0 else 1
Notice of default sent		Prior to Jun 87 equals 1 else 0
Original maturity date		Prior to Jun 87 equals 1 else 0
Syndicated Loan	{Yes, No}	Yes = 1 else 0
Loan guaranteed	{Yes, No, NAV}	Yes = 1 else 0
Collection score	[0, 1]	
Lien position	{1, 0, 1}	1 if Lien position = 1 else 0
Current unpaid balance/Original balance	[0, 2.9]	Normalized to [0, 1]
Last payment to Interest/Last payment	[0, 1]	

FIG. 12

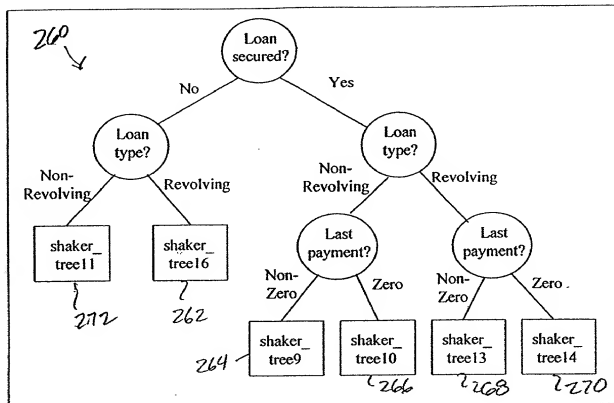


FIG. 13

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Figure 9

